

# Tourism without growth

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CIPRA Annual conference, Bled, 25 May 2018



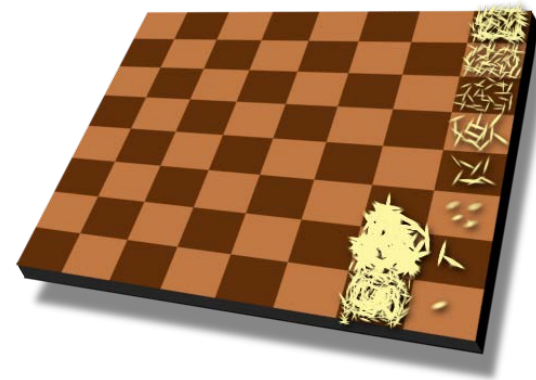
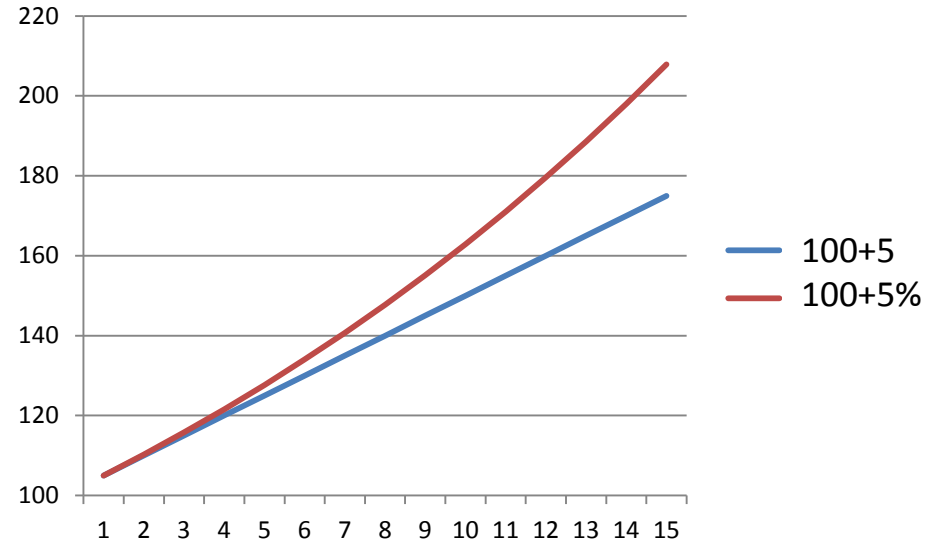
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  - level of municipalities
- 5) Summary – promising starting points

# 1) What is growth?

Each year more!

100+5	100+5%
105	105
110	111
115	116
120	122
125	128
130	134
135	141
140	148
145	155
150	163
155	171
160	180
165	189
170	200
175	208



## 2) Growth drivers in tourism sector

- Interests on investments/debts (equity and borrowed capital)
- Economies of scale
- Construction/craft sector too big for only replacement/repair activities
- Municipalities relying on tax incomes
- (Price) Competition, interchangeable products/services
- Safeguarding employment
- Demand in mass markets / tourism marketing

### 3) Limits to growth in tourism sector

- Land/resources
- Public opposition (e.g. buildings, second homes, city tourism)
- Unsuccessful or failing tourism business model (new trends, external changes, e.g. climate change)
- Peaks (stagnating demand...)
- Insufficient investments /capital goes elsewhere
- Stagnating /declining subsidies
- Economic decline of tourism region

## 4b) Starting points for a growth-neutral tourism

### - level of **enterprises**

- Limited dependency on equity/borrowed capital
- Limitation of debt
- Organisational form of enterprises: cooperatives, foundations
- Appropriate enterprise size
- Collaborative economies to profit from economies of scale
- Reduced working time
- Green and social accounting/reporting
- Social innovations instead of hard investments
- Development of niches instead of mass markets
- Development of business models without growth

## 4b) Starting points for growth-neutral tourism

### - level of **municipalities**

- Diversify tax and other income sources
- Limitation of municipal debt
- Diversify economy
- Full calculations of benefits and costs of tourism (growth)
- Green and social accounting/reporting
- Political representation of whole community
- Limitation of resource use and land to sustainable level
- Avoidance of mass tourism

## 5) Summary – promising starting points

- Green and social accounting/reporting
- Full calculations of benefits and costs of tourism (growth)
- Political representation of whole community
- Social innovations / niche development
- Development and spreading of business models without growth



J. Forrester (2009)\*:

„I think one of the biggest management problems is going to be to understand how to manage a successful nongrowing company – and how to get out of the frame of mind that success is measured only by growth...

...I don't think I've heard of that being taught in management schools.



*Jay Forrester,  
1918-2016  
(World model 3)*